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Ref No 50-4/3

10 Sept. 65

Frank:

I couldn't agree more - "Overhead" has always had unfortunate connotations. The things which "Overhead" and its companion "Operational Support" identify are so broad and so obviously of a "support" nature to operations that I've been trying for years to get universal acceptance of the term "support". In the current activity and category list, the term support is used rather than overhead.

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I don't believe it is profitable to call support by any misleading names. I still feel, however, as indicated by the attached 1963 memoranda, that a great deal of what we presently classify as "support" can be identified as an integral part of each activity and that the remaining truly Agency or Program-Wide Support can then be identified as such in the Budget, eliminating what [redacted] refers to as the "proration of support or administrative costs which confuses rather than explains". The 1963 memo suggested one way of handling support. It's still the best way I've heard. I'm afraid the MAN system has gotten too bogged down in detail to solve the problem through personnel job identification. Moreover, they've introduced a new "Operations" category which has all the disadvantages of the old system (i.e., a catch-all for most personnel).

If you have time to read the 1963 memo (work on which goes back to 1962) it may be worthwhile.

You do understand, I believe that in the Plans Area Operational Support and Overhead now covers: pay of case officers or clerks,

[redacted]
of stations, etc., etc., etc., A complete list would require an analysis of all "Overhead" and "Operational Support" Accounts.

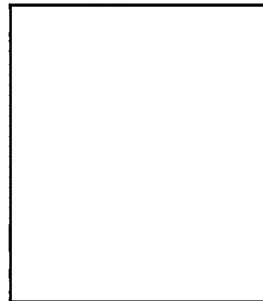
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Will you please enlighten a
few of us on "overhead"?



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